



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Appointment of two firms (Lamont Services Inc. and Fieldman Rolapp and Co.) to provide various financial advisory services related to the issuance of debt and other financial activities for City of Lodi

MEETING DATE: February 7, 2007

PREPARED BY: Deputy City Manager

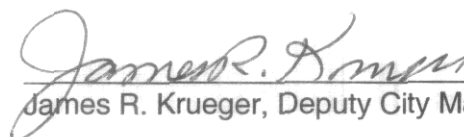
RECOMMENDED ACTION: Approve appointment of two firms (Lamont Services Inc. and Fieldman Rolapp and Co.) to provide various financial advisory services related to the issuance of debt and other financial activities for City of Lodi.

BACKGROUND INFORMATION: Over the course of several years and different bond issues and in conjunction with other related elements of consultative services, the City has utilized the services of the firm of Professional Financial Management (PFM) as financial advisors. As part of an on going review of all professional services, we have reviewed the qualifications of other financial advisory firms for the purpose of retaining their services.

City staff along with Mayor Johnson and Mayor Pro-Tem Mounce interviewed two different firms to determine their qualifications for the provision financial advisory services to the City of Lodi. Both firms have equally impressive qualifications, but have expertise in different areas from each other. In order to retain the best services for the City and to have expertise provided in all of the areas for which the City seeks assistance, it is recommended that both firms be retained to provide assistance on various different projects to the City. Staff will return to Council for approval of individual projects (amounts over \$20,000) to be done by either of the two firms. The approval of two firms for the purpose allows for staff to utilize the expertise of each of the firms in the areas for which we believe they are the most qualified to assist the City. We do not anticipate that there will be any projects for which both firms will be used simultaneously. The resultant mix of services to be provided by both firms will result in receiving services in the most effective manner. Over the course of the remainder of this fiscal year and the next, it is anticipated that the City will need to utilize these services on many projects including advice on rating agency reviews, water and waste water financing issues, community service district financing issues, debt restructuring and leveraging of economic development with State of California funding sources.

FISCAL IMPACT: In order to implement the capital projects that will be undertaken by the City, it is necessary to retain a financial advisor. This is one of the costs associated with these projects. The cost of these services will vary depending on the project, but it is anticipated that the cost will range between \$50,000 to \$100,000 and will be recovered within the rates for the enterprise funds.

FUNDING: Not applicable


James R. Krueger, Deputy City Manager

APPROVED: 
Blair King, City Manager